

HOUSE BILL REPORT

HB 1140

As Reported by House Committee On:
Judiciary

Title: An act relating to the manufactured/mobile home dispute resolution program.

Brief Description: Addressing the manufactured/mobile home dispute resolution program.

Sponsors: Representatives Liias, Morrell, Ericks, Miloscia, Ormsby, Rolfes, Simpson and Nelson.

Brief History:

Committee Activity:

Judiciary: 2/5/09, 2/19/09 [DPS].

Brief Summary of Substitute Bill

- Amends provisions of the Manufactured/Mobile Home Dispute Resolution Program to create informal and formal dispute resolution procedures.
- Requires the Office of the Attorney General to adopt rules for the uniform administration of the Manufactured/Mobile Home Dispute Resolution Program.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Pedersen, Chair; Rodne, Ranking Minority Member; Flannigan, Kelley, Kirby, Ormsby, Roberts and Ross.

Minority Report: Do not pass. Signed by 3 members: Representatives Goodman, Vice Chair; Shea, Assistant Ranking Minority Member; Warnick.

Staff: Courtney Barnes (786-7194)

Background:

The Office of the Attorney General.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Office of the Attorney General (AGO) is a constitutionally created office that advises and officially represents Washington in all legal proceedings. The AGO also enforces laws to protect the public as directed by the Legislature, such as upholding the Consumer Protection Act, enforcing laws against anti-competitive business practices, recovering refunds for consumers, and imposing penalties and injunctions on offending businesses. The AGO is directed by the Legislature to administer specific programs intended to protect the public, such as administering Washington's Lemon Law and educating the public on issues such as identity theft and scams that target seniors, minorities, and vulnerable populations.

The Manufactured/Mobile Home Dispute Resolution Program.

The Attorney General is authorized to administer a Manufactured/Mobile Home Dispute Resolution Program to resolve disputes regarding alleged violations of the Manufactured/Mobile Home Landlord-Tenant Act.

Under the Manufactured/Mobile Home Dispute Resolution Program, the AGO:

- takes complaints from manufactured/mobile home tenants and landlords;
- investigates complaints; and
- attempts to negotiate an agreement.

If no agreement can be reached, the AGO may make written determinations about whether a violation has occurred and deliver a citation to any violator.

If the AGO issues a citation, the citation specifies the violation and the corrective action required. If no corrective action has been taken and no administrative hearing has been requested within the allowed 15 business days, the AGO may issue a fine up to \$250 per day per violation until the violation is corrected. Determinations, citations, fines, other penalties, and orders to cease and desist may be contested through an administrative hearing before an administrative law judge.

Other Responsibilities.

Other responsibilities of the AGO include:

- creating and providing educational materials to tenants and landlords about the Manufactured/Mobile Home Dispute Resolution Program and the Manufactured/Mobile Home Landlord-Tenant Act; and
- maintaining a database of complaints and reporting annually to the Legislature.

Summary of Substitute Bill:

The Manufactured/Mobile Home Dispute Resolution Program.

The Manufactured/Mobile Home Dispute Resolution Program is directed to first approach reported disputes in an informal manner and attempt to resolve the dispute by facilitating communication. If the dispute is not resolved, the AGO may initiate a formal investigation.

The AGO must adopt rules for conducting the informal dispute resolution and formal investigations, making written determinations, and the processes for appeal.

In addition to providing access to papers and other documents, complainants and respondents must cooperate with the AGO's formal investigation by answering written interrogatories and providing oral testimony.

When an agreement has been negotiated following a formal investigation, the parties must enter into a signed written settlement agreement. A violation of the settlement agreement is subject to fines and other penalties as allowed in statute.

During the course of the formal investigation, the AGO may investigate other potential violations of the Manufactured/Mobile Home Landlord-Tenant Act only if the new potential violations affect the health, safety, or welfare of the manufactured/mobile home community. A respondent who receives a notice of violation or a cease and desist order as the result of an investigation of other potential violations may request an administrative hearing to appeal the notice of violation or the cease and desist order.

Substitute Bill Compared to Original Bill:

The substitute bill limits the AGO's authority to investigate other potential violations of the Manufactured/Mobile Home Landlord-Tenant Act during the course of a formal investigation. The original bill did not require other potential violations to affect the health, safety, or welfare of the manufactured/mobile home community. The original bill did not provide a procedure to appeal a notice of violation issued as a result of an investigation of other potential violations.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The bill refines the authority for the AGO to engage in dispute resolution procedures involving manufactured/mobile home communities by creating an informal process for the resolution of complaints and allowing the AGO to investigate other potential violations of the Manufactured/Mobile Home Landlord-Tenant Act. The bill was drafted with the full support of the Manufactured/Mobile Home Dispute Resolution Program. The bill will help manufactured/mobile home landlords and tenants by providing positive way to resolve differences without having to use the courts. The bill is not intended to permit the AGO to seek out potential violations on its own volition without first receiving a complaint from a manufacture/mobile home tenant.

(Opposed) The bill gives the AGO more police-type power and opens the door for the AGO to seek violations on its own accord. The bill hurts small manufactured/mobile home community owners and tenants by adding another layer of regulation and increasing costs. The AGO should not be given any additional authority to hunt for potential violations of the Manufactured/Mobile Home Landlord-Tenant Act.

Persons Testifying: (In support) Representative Liias, prime sponsor; Ishbel Dickens, Columbia Legal Services; Judith White, Leisure Estates of Renton; and Cathy Caldwell and Jake Bernstein, Office of the Attorney General.

(Opposed) Ray Borhen; Rick Chessman; Bob Kapela; and George Kotch.

Persons Signed In To Testify But Not Testifying: None.